The A. F. of L. Weekly News Service gives news comment and editorial interpretation of matters affecting labor according to the labor, industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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SAVE FOOD—Help Relieve Famine Abroad

WHOLE NO. 1835 | WILLIAM GREEN, President | WASHINGTON, D. C., TUESDAY, JUNE 11, 1946 | GEORGE MEANY, Secretary-Treasurer | VOL. 36, NO. 24

Truman's Analysis Shows Dangers of Case Measure

Washington, D. C.—President Truman attached to his veto message on the Case Bill a detailed analysis of its specific provisions. The text of his analysis follows:

I have analyzed the bill carefully and herewith submit my comments on the various sections:

Section 1. Declares that the objectives of the act are to encourage settlement of disputes between labor and management by effective bargaining and by conciliation, mediation, and voluntary arbitration, thereby minimizing industrial strife, strikes, and lockouts.

Upon careful consideration, I have come to the conclusion that this bill will not achieve this high and unquestionably desirable objective. On the contrary, much of the bill is not only wholly foreign to the achievement of that objective, but in my judgment, would actually defeat it.

Section 2. Defines certain key terms used in the bill.

Section 3. Provides that employers and employes in industries affecting commerce shall: exert reasonable efforts to make and maintain collective bargaining agreements; give adequate notice of proposed changes; provide for the final adjustment of grievances or questions regarding the interpretation of agreements; arrange promptly for conferences with respect to labor disputes and cooperate in the new Federal Mediation Board in attempting to settle disputes amicably. The Mediation Board may proffer its services for the purpose of aiding in the settlement of a labor dispute affecting commerce.

If federal mediation is proffered, lockouts and strikes affecting commerce are unlawful until mediation is concluded or until 60 days after a written request has been made by one of the parties for a conference, whichever is earlier. An employer who changes the status quo by lockout or other action is deemed to have engaged in an unfair labor practice within the meaning of the National Labor Relations Act. An employe who disturbs the status quo during this period, by striking or by engaging in a concerted action of any description, loses his status as an employe for the purposes of the National Labor Relations Act, unless he is reemployed.

Although Section 3 is ostensibly designed to insure that the parties will attempt to reach a peaceful settlement, making a strike unlawful is to feel that it would, in practice, tend to increase the number of strikes. I think it would lead to the development of methods to avoid the operation of this section. The bill provides that the refusal to strike is postponed only if the Federal Mediation Board proffers its services in time before the strike starts. I foresee that some unions might choose to strike before the Mediation Board had had an opportunity to determine whether it should enter into a controversy—and action not prohibited in the proposed statute. Although the purpose of the provision is to discourage the so-called "quickie" strike, its effect might be to encourage unions to resort to such strikes.

If an employer violates the provisions of this section, he is made guilty of an unfair labor practice. He may only be ordered by the National Labor Relations Board to cease and desist and to pay any back pay due. An employe, on the other hand, may suffer a far greater penalty. Under Section 3 (d), he loses his very status as an employe. That means that the employer, without offering any further reason, may refuse to reinstate him. The penalties are unbalanced. An employer guilty of a violation can only be ordered (long after the event) to stop his violation and to restore the status quo. The employe, however, loses his basic industrial right and perhaps even his means of livelihood. I fear that the provisions of Section 3 (d) might well result in some employers provoking strikes in order to give them the opportunity to discharge the employe leaders.

To avoid the consequences of Section 3, and to legalize a strike under the bill, a union need only give early notice of a request for a conference to start the running of the 60-day period during which strikes are forbidden. The result probably would be a great risk of premature and futile conferences. Sixty days thereafter, employes would be free to strike—with the sanction of the Congress. So, too, there would be premature demands for conferences just before the possibilities of direct negotiations between the parties had been settled.

No standard whatever—except only that the dispute should be "with respect to"—is provided for determining whether the Federal Mediation Board should proffer its services. Even after a strike can become illegal only if it occurs after such offer. It apparently left to the board's discretion. This places a heavy burden and extraordinary responsibility on the federal mediation. Because of the serious consequences arising from the proffering of mediation or failure to do so—namely the outlawing of a strike—mediation is likely to be discouraged and withheld in many cases where it might prove most useful. It is hardly sufficient for the parties to request mediation to operate as representation upon one of the parties. Mediation should be requested by both parties to be effective. This provision would have just the contrary effect.

And, under Section 3, even if mediation is proffered, and the 60-day period expires, without result, nothing happens. No facts are publicly found; no recommendations are made; no report is issued. No one knows the important the dispute—whether in the steel, the automotive, or the shipping industry—may be at issue in such a public utility—at the end of the 60 days, there is the anti-climax of nothing.

Not one of the major disputes which have caused such great public concern during the past months would have been affected in any way by this bill had it been law at the time.

The railroad strike would not have been covered by the bill at all. And the coal, steel and automotive strikes would probably not come within the sufficient lapse of time between the unions' request for conferences and the calling of a strike. Each of these strikes would have had the full sanction of the bill.

Thus the very difficulties which this bill was presumably drafted to meet have been left untouched. These sections fail to provide a satisfactory method of coping with the major industrial disputes which confront the nation.

Section 4. This creates a new five-man Federal Mediation Board. All mediation and conciliation functions now the Secretary of Labor and the United States Conciliation Service are transferred to the board. The Director, although nominally within the Department of Labor, would not be under the control of the Secretary of Labor.

I consider the establishment of this agency to be inconsistent with the principles of good administration. As I have previously stated, it is my opinion that government today demands reorganization along the lines which the Congress has set forth in the Reorganization Act of 1945, i.e., the organization of government according into the fewest number of government agencies consistent with efficiency. Control of purely administrative matters should be vested as much as possible under members of the Cabinet, who are in turn responsible to the President.

The proposed Federal Mediation Board would have no quasi-judicial or quasi-legislative functions. It would be purely an administrative agency. Strictly speaking, such a function should be concentrated in the Department of Labor.

Congress in 1913 there has been within the Department of Labor and responsible to the Secretary of Labor a United States Conciliation Service formed with the very purpose of encouraging the settlement of labor disputes through mediation, conciliation, and other good offices. The record of that service has been outstanding. During the period of one year from May 1945, through April, 1946, it settled under section 8 (d) 5,980 labor disputes. Included in this total were 1,000 cases in which I personally was asked to act as conciliator. I feel that this is altogether too important and too complicated a question to be disposed of hastily.

Section 5. This provision deprives supervisory employes of their status as employes for the purposes of the National Labor Relations Act.

This section would strip from supervisory employes the rights of self-organization and collective bargaining now guaranteed them under the National Labor Relations Act. I fear that this section would increase labor strife, since I have no doubt that supervisory employes would resort to self-help to gain the rights now given to them by law.

This conflict question has long been under consideration by the National Labor Relations Board. The board and the courts have uniformly held that supervisory employes have a right, especially, to organize. If the employes under them, they act for management. However, with respect to their own relations, terms and work, and other terms and conditions of employment, they act for themselves. The full rights of supervisory employes to the benefits of collective bargaining are one that cannot be lightly thrown aside.

On the other hand, management is entitled to prompt information, where in the area of disagreement between the parties the line can be drawn with reasonable accuracy. There has been no attempt to draw a line in this section.

Section 19. Provides that suits for violation of collective bargaining contracts affecting commerce may be brought in the federal courts; labor organizations are deemed to be bound by the acts of their agents; suits may be acting within the scope of their authority and may sue or be sued as a separate entity; money judgments against a labor organization are made enforceable only against the assets of the union; any employe who strikes or otherwise interferes with the performance of a collective bargaining contract in violation of the contract without approval of the labor organization found to be committed for his status as an employe for the purposes of the National Labor Relations Act unless he is reemployed.

I am in accord with the principle that it is fair and right to hold a labor union responsible for a violation of its contract. However, this section goes much farther than that. This section, taken in conjunction with the Norris-LaGuardia Act, repeals the Norris-LaGuardia Act and changes a long-established congressional policy.

I am sure that, without repealing the Norris-LaGuardia Act, changing this long-established congressional policy, or impairing the principles of the National Labor Relations Act, a sound and effective system of enforcing labor's responsibility can be established.

Section 11. This provision subjects various union activities to the anti-trust laws, with all their penalties and sanctions, injunctive remedies, and provisions for treble damages. Although the section is entitled "Secondary Boycotts," the scope of the section in fact extends far beyond such matters. While its enactment would provide remedies that might result in the elimination of certain evils, such as improper applications of the secondary boycott, it would also make those remedies available against recognized legitimate activities of organized labor.

That there are some abuses in this field, no one can gainsay. I deplore such practices as the strike-provoking provisions that must be found to prevent the jurisdictional strike. It cannot be justified under any circumstances. I am convinced, however, that the anti-trust laws, the objectives of which are the prevention of unfair business practices and the protection of free competition, are not designed to solve the abuses pointed out in this section.

In this regard, however, I do not feel I should not omit the remark that the practice of issuing injunctions without notice or hearing under the provisions of the above statute has been vitiated to the use of injunctions to prevent legitimate activities of labor organizations. The labor injunction is a weapon to which private employers should be entitled except within the careful restrictions laid down by that act. I should not, however, favor a return to the practice of issuing injunctions without notice or hearing or a preliminary order of a temporary nature. Several of the other abuses that tended to discredit our courts and give rise to the widespread popular demand for limitation of "government by injunction."

Injunctions requested by the Government itself, and designed to restrain strikes against the Government, in cases where refusal to work by the Government has produced a condition of national emergency, are, in my opinion, an essential element of Government authority. This authority, however, should not be available to private employers under the vast variety of conditions contemplated by the secondary boycott bill.

Sections 12-14. These sections include provisions with respect to making of written contracts and agreements available to the public and to the effective force. They make available data which may aid in the settlement of labor disputes. They are unobjectionable.

The passage of H.R. 4908 confirms the need for a careful study of labor legislation with a view to its revision toward long-range remedies. It demonstrates the inadequacy of the method to draft permanent labor legislation without painstaking and exhaustive consideration.

H.R. 4908 strikes at symptoms and ignores underlying causes. As I have noted, not a single one of the recent major strikes would have been affected by any of the bill's terms.

As I said to the Congress on May 25, we should immediately have temporary legislation dealing with the exigencies of the present, so that strikes against the Government which vitally affect the public welfare can be halted. This is necessary in the midst of the extraordinary pressures of reconversion and inflation. I have asked the Congress for such legislation. I repeat that request here today. An emergency legislation is to take is, of course, for the Congress to decide. But I am convinced that the present legislation is inadequate. The responsibility must also rest with the Congress.

It must be remembered that industrial strife is a symptom of basic economic maladjustments. We cannot attribute work stoppages to any one factor. As we move from war to peace, an essential element of our economic system. Labor and management alike are seeking security. The combination of rising prices, scarcity of commodities, low-level purchasing power, and high tax programs today creates fears which are present at the conference table and make the process difficult of collective bargaining.

The solution of labor-management difficulties therefore is to be found not alone in well considered legislation dealing directly with labor relations, but also in a comprehensive legislative program designed to remove the causes of fear and insecurity felt by many workers and employers.

During the past ten months I have urged the Congress to enact such a program. Among the proposals which I have recommended are adequate insurance against unemployment, health and medical services for families of low and moderate income and the maintenance of a high minimum wage, and the continuance of the price control and stabilization laws in effective form. These measures would remove some of the major causes of insecurity and would greatly aid in achieving industrial peace.

Our problem in shaping permanent legislation is this field is to probe for the causes of lockouts, strikes and industrial disturbances. Then, to the extent possible, we must eliminate these causes. Strikes against private employers cannot be ended by legislative decree. Many of them arise out of a peace-time democracy to work for a private employer under free competition. Therefore, strikes must be considered in the whole context of our modern industrial society. They must be considered in the light of inflationary pressures, of problems of full employment, of economic security.

Legislation governing industrial relations is workable only when carefully considered against this broad background. I am confident that with painstaking and dispassionate study which will probe fairly and deeply, the Congress can evolve equitable legislation which promises an era of peaceful industrial relations.

We accomplish nothing by striking at labor here and at management there. A sound labor policy is called for, and a congressional committee such as I have suggested is the best means of reaching it.

There should be no emphasis placed upon consideration of whether a bill is "anti-labor" or "pro-labor." Where excesses have developed on the part of labor leaders or management, such excesses should be corrected—not in order to injure either party—but to bring about as great an equality as possible between the bargaining power of labor and management. Neither should be permitted to become too powerful as against the public interest as a whole.

Equality for both and vigilance for the public welfare—these should be the watchwords of sound legislation.

The bill which I am returning to you does not meet these standards.

Many precedures have been suggested from time to time by students of the problem. They should all be considered. A comprehensive study of this problem should be based on a belief that labor is now rapidly "coming of age" and that it should take its place before the bar of public opinion on an equality with management.

It is always with reluctance that I return a bill to the Congress without my approval. I feel, however, that I would not be properly discharging the duties of my office if I were to approve H.R. 4908.

STATESMANLIKE VETO IS PRAISED BY GREEN

Washington, D. C.—A F L President William Green praised President Truman's veto of the Case Bill and predicted Congress would sustain it. He said:

"The President's veto of the Case Bill reflects a high standard of statesmanship and courage.

"A careful reading of his painstakingly prepared message makes it clear that he was influenced by a determination to serve the best interests of all the people of the Nation.

"Time will uphold the soundness of his judgment and vindicate the wisdom of his action.

"I am confident that the President's veto will meet with overwhelming public approval and be sustained by Congress."

Text of Veto Message

Washington, D. C.—The text of President Truman's message to Congress explaining why he vetoed the Case Bill follows:

I am returning herewith, without my approval, H.R. 4908, entitled "An Act to Provide Additional Facilities for the Mediation of Labor Disputes, and for Other Purposes."

The outstanding domestic problem confronting this country today is the maintenance and increase of production. We must have production, or the effects of ruinous inflation will be felt by every one of our citizens. Strikes and lockouts are the greatest handicaps to attaining vital production.

Inasmuch as the solution of our present-day labor problems constitutes the key to production, this proposed bill must be judged in the light of whether it will assist in reducing labor strife in the nation.

I have given careful study to the bill. I have not considered it from the standpoint of whether it favors or harms labor, or whether it favors or harms management. I have considered it from the standpoint of whether or not it benefits the public, which includes both management and labor.

In the determination of the question of whether or not the great majority of our citizens will be benefited by this bill, the question presented is whether it will help to stop strikes and work stoppages and prevent other practices which adversely affect our economy.

I have reached the conclusion that it will not.

I have tried, as the representative of all the people of our nation, to approach this problem objectively, free from emotional strains of the times, and free from every consideration except the welfare of our nation and of the people which is dependent upon our recovery to a full peacetime economy.

This bill was undoubtedly passed by the members of the Congress in the sincere belief that it would remedy certain existing conditions which cause labor strife and produce domestic turmoil. I cannot agree with the Congress with reference to the results that would be achieved by it.

I trust that there will be no confusion in the minds of the members of the Congress or in the minds of the public between this bill and my request on May 25 for fact-finding for emergency legislation.

At that time I requested temporary legislation to be effective only for a period of six months after the termination of hostilities, and which would apply to those few industries which had been taken over by the Government and in which the President by proclamation declared that an emergency had arisen which affected the entire economy of this country.

It was limited to strikes against the Government. It did not apply to strikes against private employers.

Such emergency legislation is now before the Congress, and I again make the request that it be passed.

H.R. 4908 is utterly different from my proposal of May 25, in kind and in degree. Its range is broad, dealing with a wide variety of subjects, some of which are wholly unrelated to the subject of settling or preventing strikes. It covers strikes against private employers. It is permanent legislation, operative even after the reconversion period is entirely over. And it applies not to a few selected and vital industries, but to many industries which are insignificant, if the dispute affects interstate commerce.

At the same time, May 25, I also requested permanent legislation leading to the formulation of a long-range labor policy designed to prevent the recurrence of such crises, and generally to reduce work stoppages in all industries. I further recommended the immediate creation by the Congress of a joint committee to study the entire question and, within six months, to bring in its recommendations for appropriate legislation. I again renew the recommendation that a joint committee be appointed to make a study of the whole subject of labor relations, and to suggest permanent long-range legislation.

The fact that we are faced with an emergency which does justify the passage of temporary emergency legislation does not, in my opinion, justify us in the adoption of permanent legislation without the study that such permanent legislation needs. This bill is actually a combination of separate unrelated measures and is not an over-all solution of this most important problem. We must not make a false start. We must not approach the problem on a piecemeal basis as this bill does.

It is suggested that the bill merely constitutes a beginning, that it should be placed upon our statute books, and that we can thereafter perfect it by the addition of additional legislation. I cannot agree with this thesis. This bill is not a permanent solution of our difficulties; and if it should become law, I fear that it may possibly result in being the only permanent legislation we would obtain.

We are not faced with a decision of choosing between this legislation and no legislation at all. It is more properly a choice between this particular bill and a more adequate and more inclusive solution of the problem.

The proposed measure, although labeled as a mediation law, is divided into two unrelated parts. The first six sections contain provisions relative to the mediation of labor disputes, postponement of strikes, and fact-finding. Subsequent sections prohibit secondary boycotts, jurisdictional disputes, unauthorized welfare funds, prohibitions against the organization of supervisory employes, union liability in the courts, and provisions establishing criminal sanctions, injunctive remedies, and treble damages for unions found engaging in secondary boycotts, jurisdictional disputes and certain other activities. These are a few of the many provisions that must be studied with infinite care before the proper solutions are found and incorporated into permanent legislation.

One of the factors to be considered in judging this bill is whether or not it would have prevented, or shortened, the strikes which have so seriously damaged our economy these last few months. Judged solely from this standpoint, I am sure a fairminded man would have to conclude that it would have failed completely.

In 1945, in the heat of a controversy over a stoppage of war production in the coal mines, the Congress passed the War Labor Disputes Act, more commonly known as the Smith-Connally Act. In his veto message of June 25, 1943, President Roosevelt stated that the Congress, by making the provisions of Section 8 of the Smith-Connally Act would not lessen but would promote industrial strife. That prediction was borne out by subsequent events.

It is my belief that a similar result would follow the approval of this bill.

If a joint committee to investigate this entire subject were appointed immediately and if the subject were given the priority to which it is entitled, a report covering the entire field could be submitted to the Congress within this calendar year.

Chief Executive Again Urges An Exhaustive Inquiry Into Causes of Labor-Management Nation-Wide Disputes

Washington, D. C.—President Truman vetoed the obnoxious Case bill, telling Congress bluntly that it would not stop strikes, but promote increased industrial strife.

Instead, the President urged Congress to authorize a joint Senate-House investigation into the causes of labor disputes and to formulate remedial legislation after an exhaustive six-months study.

AFL President William Green immediately hailed the President's message as bearing out the contentions made by organized labor against the bill.

Congress promptly sustained the veto. The vote in the House was 135 to uphold and 255 to override, less than the two-thirds required to enact a law over the President's veto.

Thus the Case Bill is a dead duck, for the time being at least. It was not expected that Congress again would attempt to pass anti-labor legislation without first conducting the inquiry urged by the President.

Although his language was polite and temperate, the President made it clear in his veto message that he considered the Case Bill a hodge-podge of ill-considered and unrelated provisions hurriedly wrapped together into an unwieldy and unworkable legislative package.

His main argument was summed up as follows:

"In the determination of the question of whether or not the great majority of our citizens will be benefited by this bill, the question presented is whether it will help to stop strikes and work stoppages and prevent other practices which adversely affect our economy.

"I have reached the conclusion that it will not."

In another telling attack against the Case Bill, the President said:

"One of the factors to be considered in judging this bill is whether or not it would have prevented or shortened the strikes which have so seriously damaged our economy these last few months. Judged solely from this standpoint, I am sure a fairminded man would have to admit that it would have failed completely."

The President reminded Congress that his predecessor, Franklin D. Roosevelt, in vetoing the Smith-Connally Act (which was re-enacted over the Presidential veto), warned Congress that its cooling-off and strike vote provisions would not lessen but promote industrial strife.

"That prediction was fully borne out by subsequent events," Mr. Truman said. "It is my belief that a similar result would follow approval of this bill."

In a detailed, section-by-section analysis of the bill, the President said that the compulsory cooling-off period of 60 to 65 days might encourage "quickie" strikes. He also charged the penalties were far more severe than against management. He insisted that the first three sections of the bill "fail to provide a satisfactory method of coping with labor-management disputes which confront the nation."

The President also assailed Section 4, which sets up an independent Federal Mediation Board, as creating a separate Department of Labor with no responsibility to be termed a "backseat dog." His same objections covered the following two sections.

Going on to Section 7, the President said that Congress in making labor unions liable for breaches of contract "would be taking a step backward," and eliminated the proviso that the law should not be construed as impairing, or diminishing the legal right of labor to strike and picket peacefully. He said this safeguard should be restored.

The President then challenged Section 8, which would make it a crime for an employer to contribute to health and welfare funds solely administered by the union. He said he could "see no justifiable" to remove such a question "from the scope of collective bargaining."

He assailed Section 10, making unions liable for damages in court suits, because it largely repeals the Norris-LaGuardia Act.

The President pointed out that Section 11, which attempts to ban secondary boycotts and jurisdictional disputes by making unions subject to prosecution and injunctions under the anti-trust laws.

He concluded by saying Sections 12 to 14 were unobjectionable.

Say, Listen!

Forthcoming radio programs in the "Cross Section—AFL" series broadcast each Saturday at 2:45 p.m., Eastern Standard Time, over the nation-wide Columbia Broadcasting System will present a wealth of information of trade unionists everywhere so that they can make advance plans to tune in:

June 15—Entertainment Trades. Officials of the various unions representing radio, stage and screen performers and workers, will describe the AFL's far-flung activities in these fields.

June 22—Railway Trades. Charles McGowan, President of the International Brotherhood of Boilermakers and workers in the various AFL shopcrafts will be interviewed from the railroad shops in Kansas City.

June 29—AFL Policies. President William Green and other AFL leaders will round up the series with a final summary of AFL plans and policies.

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AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

SUPPLEMENT

WILLIAM GREEN, President

WASHINGTON, D. C., FRIDAY, JUNE 14, 1946

GEORGE MEANY, Secretary-Treasurer

SAVE FOOD—Help Relieve Famine Abroad

Labor Foes In Congress, Confused By Case Bill Veto, Ponder Next Move

Washington, D. C.—Stunned by President Truman's veto and sweeping denunciation of the Case Bill, the Congressional anti-labor bloc appeared dismayed and unable to agree on new strategy to enact curbs against the trade union movement by some other method.

A meeting called by Senator Byrd and attended by the chief labor-foes of the anti-labor group in both Senate and House broke up without any formal accord on what to do next.

One faction, it was reported, urged that the House Rules Committee attach the provisions of the Case bill to the President's strike-control bill. However, since the latter measure is temporary in scope, this suggestion did not satisfy the die-hard labor haters.

It was pointed out, moreover, that the President might feel called upon, for the sake of consistency, to veto his own bill if Congress attempts such a legislative trick.

Significantly enough, the anti-labor bloc remained cool and aloof to President Truman's repeated suggestion for a joint Congressional Committee to study the cause of labor disputes during the next six months before recommendations for new legislation dealing with labor-management relations are formulated.

Apparently, the foes of labor feared that such an investigation might reveal that management and Governmental policies have been largely to blame for the tide of unrest and disputes which have swept the Nation since V-J Day.

Members of the House Rules Committee is sitting tight on the President's Emergency Bill, which provides for injunctions against labor unions while strike after the Government has seized an industry and taken over its operation.

The House passed this bill in its original and more drastic form, including a provision for the drafting of workers into the armed forces when they strike under such circumstances. However, the Senate struck out this provision and made several other major amendments, notably the deletion of a provision for the retention by the Government of profits derived from the operation of private industries seized because of strikes.

Within the next week or 10 days, the House Rules Committee will recommend to the House either of two courses: that the Senate amendments be concurred in or that the bill should be sent to conference with the Senate. If the latter course is taken, the House Rules Committee may attempt to attach the Case bill to the President's bill.

Security Tax Is Increased to 1.5% Under House Ways and Means Bill

Washington, D. C.—The powerful House Ways and Means Committee approved legislation under which the present Social Security tax of one percent would be increased to 1.5 percent for a five-year period beginning January 1, 1947.

The committee also accepted in principle proposals which would extend unemployment compensation coverage to 200,000 maritime workers and would give veterans credit as participants in old-age and survivors insurance for the period of their military service.

The committee thus began disposing of a series of proposed major Social Security Act changes which have been under consideration for many months.

The tax, which finances only the old-age and survivors' insurance provisions of Social Security, applies equally to employes' pay and employers' payrolls. Unless some action is taken by Congress before Jan. 1, the present 1 percent tax will rise automatically to 1.5 percent then.

Automatic increases in the tax have been blocked for some times, largely as the result of a fight led by Senator Vandenberg, Michigan Republican. He has contended that the tax increase was not warranted by the amount of money in the reserve fund.

If the committee's recommendation on this point becomes law, annual collections of Social Security payroll taxes would rise from the present $2,000,000,000 to $2,600,000,000.

The protection for maritime workers was provided for in a bill sponsored by Representative Lynch, of New York, a member of the committee. The measure would provide for unemployment compensation in the case of maritime workers would be determined by the unemployment law of State in which the workers reside.

CROSS SECTION--AFL

No. 10—Printing Trades

Featuring spokesmen for five printing trades, interviewed by Dwight Cooke, CBS commentator, from the heart of the largest newspaper in the United States, the New York Daily News.

New City—Home of the printing trades, all members of the American Federation of Labor, placed before the Nation a clear-cut picture of how the largest newspaper in this country is now smoothly through the composing, press and mailing rooms into the hands of millions of readers.

At the same time each of the spokesmen interviewed explained in detail the benefits offered by his craft union and why they enjoy with management, and proudly cited the absence of any jurisdictional disputes, despite the fact that all have overlapping jurisdictions.

Harry Lastick, member of the International Typographical Union for 32 years, a union 85,000 strong, explained that his group provides sick benefits and maintains a Union Printers Home at Colorado Springs, one of the finest of such institutions in the country.

Timothy McMahon, for 30 years a member of the Stereotypers' Society, founded 58 years ago, described the Costello Home in Denver, established for convalescents. He explained, also, some of the intricacies of getting a metropolitan paper to press.

John E. Smith, member of the Pressmen's Union for 26 years, described the function of steering the news pages through the giant presses employed in a big city daily.

Edward J. Volz, International president of the Photo Engravers, emphasized, particularly that the union's contract with management is a matter of special pride to the record it had established over a long period of years in its dealing with management. Disputes which have occurred, he said, were settled quickly in conference.

A spokesman for the Mailers' Union, who had been scheduled to appear, was unable to attend the broadcast, but was represented by other members who explained the system that takes the printed newspapers from the presses into the hands of readers located far beyond the immediate area of the publication.

MINIMUM WAGE LAWS NEEDED IN MANY STATES

Washington, D. C.—State minimum wage action is imperative for thousands of women workers who are still in their prewar employment in laundries, hotels and other service industries, not covered by wage standards established under the Federal Wage and Hour Law, the U. S. Labor Department warned.

Minimum wage amendments adopted in Nevada, South Dakota, New York and Rhode Island were praised by the department. Efforts to improve minimum wage laws are under way, also in orders in California, Massachusetts, Oregon, New York, New Jersey and Pennsylvania, the survey showed.

'DRY CARGO' OFFICERS WIN $5 TO $45 PAY INCREASE

Washington, D. C.—An arbitration award of $5 to $45 a month wage increase has been approved by the National Shipbuilding Stabilization Board for an estimated 20,000 licensed officers on "dry cargo" merchant ships.

These increases are retroactive to January 4, 1946. The AFL national organization of Marine Engineers and Pilots represented the officers. The increases provide a $5-a-month hike for third officers; $10 for second officers; $15 for first officers; $40 for the chief engineer and $45 for master vs.

FITZPATRICK'S RE-ELECTION IN CHICAGO UNOPPOSED

Chicago.—President of the Chicago Federation of Labor for the past 25 years, John Fitzpatrick was assured of another two-year term when he was unopposed for re-election to the presidency of the organization, to continue in office. Five other incumbents were unopposed for re-election as well. Joseph D. Keenan, corresponding secretary; Maurice Lynch, financial secretary; Christian A. Madsen, treasurer; L. F. Straube, reading clerk, and Peter Bockstahler, sergeant-at-arms.

AFL TUGMEN GET RAISE

Washington, D. C.—A wage increase has been ordered by the Wage Stabilization Board for tugboat workers of the Mississippi Valley Division of the Great Lakes Towing Co. The increase amounted to $1.53 a day, retroactive to November 20, 1945, and will increase the tugmen's wages from $11 to $11.88 a day. The case in question was the Firemen's, Linemen's, Oilers' and Watchmen's Protective Association of the Longshoremen's Association (AFL).

AFL UNIT IS SELECTED

Washington, D. C.—The AFL International Brotherhood of Electrical Workers has been designated to negotiate bargaining representatives by conservancy employes of the General Cable Corp., Rome, N. Y., as reported by the National Labor Relations Board.

AFL Resumes Labor-USA On ABC Network July 6

Washington, D. C.—Beginning July 6, the AFL will resume its weekly radio feature, "The American Federationist of the Air," on the Labor-USA program carried by the Nation-wide network of the American Broadcasting Company at 5:45 P.M., Eastern Standard Time, Saturdays.

The program will be heard under AFL auspices for twenty-six consecutive weeks, through the end of the year.

Last year when this radio novelty was inaugurated it proved immensely popular with AFL members and the general public. The same format will be retained this year.

Presented in the form of a "magazine of the air," the program intersperses news reports with comment by AFL leaders and guests on outstanding national and international developments.

If you want to keep up with what's going on in the world and in labor affairs, make certain to tune in each Saturday. The program if listed as "Labor-USA." Consult your local newspapers for the exact time the broadcasts are presented in your community.

CONGRESS PAY RISE IS VOTED BY SENATE

Washington, D. C.—Legislation to raise the salaries of members of the Congress from $10,000 to $15,000 a year was approved by the Senate, 49 to 30.

The measure was firmly supported by the Executive Council of the American Federation of Labor, which felt that more adequate remuneration would encourage able legislators to seek election to Congress.

Under terms of the measure, which provides sweeping changes in the legislative machinery of Congress, members of the Senate and House would be permitted to retire at the age of 62 on a pension of $7,500 a year.

One of the major changes in the Senate's machinery would be consolidation of 33 committees into 15, with the provision that members could serve on only two committees. Membership of individual committees would be cut to 13, except for the Appropriations Committee, which would be allotted 21 members.

Some Senators, jealous of their patronage privileges, assailed one proposal on grounds it would establish a personnel "czar" over Congress. This criticism was directed at the provision which would have established a director of personnel, with broad powers to hire and fire legislative employes. This section was dropped when some Southern Senators, irked over the reduction in the number of committee chairmanships, indicated that they would filibuster the measure if this provision were allowed to stand.

House leaders who attended the final Senate debate on the measure expressed the conviction that, in view of its overwhelming approval by the Senate, House passage appeared assured.

New Conciliation Policy Revealed

Washington, D. C.—On the unanimous advice of the Labor-Management Advisory Committee of the U. S. Conciliation Service, Director Edgar L. Warren announced a new policy of having the parties themselves bear the expense of arbitrating disputes arising under collective bargaining agreements unless unusual circumstances justify an exception. In the past the service provided arbitrators free of charge in the cases in which no agreement had been reached on arbitrators.

"The exception to the new policy will arise in those cases where the existing contract specifically provides for the appointment of arbitrators by the service without cost to the parties," Mr. Warren said. "It is expected that such clauses will not be renewed in future agreements."

"This policy has been adopted in order to foster collective bargaining by perfecting arbitration as a peaceful instrument for the settlement of grievance disputes. Experience in arbitration is widely accepted as the terminal step in grievance procedures, but it no longer necessary to resort to this use by monetary inducements. The obligation to bear costs tends to promote the settlement of grievances by the parties themselves."

REDS BAR AFL MAN FROM AUSTRIA CITY

New York City.—According to a New York Times dispatch wirelessed from Vienna, Soviet Russia has rung down its iron curtain, barring a representative of the AFL's Labor League for Human Rights from visiting the Russian zone of occupation in Austria.

Irving Brown, European representative of the League, had received an invitation from the Australian Confederation of Labor to inspect the trade union school in Martenstein with a view to diluting funds contributed by AFL trade unions to its support.

AFL Vice President Matthew Woll, who heads the League for Human Rights, protested vigorously against the exclusion of Mr. Brown from Russian-occupied Austria as a "challenge to lovers of freedom everywhere."

He said:

"We are anxiously waiting to see what the Russian Government which claims to represent a higher form of democracy than ours, and what the Russian unions, which insist that they are free, bona fide labor organizations, will do to end this retrograde procedure and to prevent its recurrence."

The New York Times dispatch continued:

"Mr. Brown has been discussing with union leaders in Vienna the means by which unions in the United States could distribute relief directly to organized workers here, plans for giving the workers full access to international trade union literature and the resumption of relations between the Austrian trade union movement and trade unions in the United States.

"According to Mr. Brown, the Russians gave no explanation for their refusal. However, trustworthy source reports said the Russians also had rejected an invitation to attend a dinner for Mr. Brown, reportedly on the ground that the American Federation of Labor opposed Communists.

"Mr. Brown said an attempt probably would be made by the American Federation of Labor to work through friends in the Austrian Labor Committee in getting aid to Austrian workers.

"Mr. Brown said he believed that wage scales and the standard of living here (Austria) were below those in Germany and that definitely they were below those of the Western countries in which he had worked.

"He said that for the sake of the workers the occupying powers should do away with the demarcation lines in Austria to remove the barriers to trade."

LARGE BALANCE REPORTED

New York City.—The Associated Musicians of Greater New York, Local 802 of the American Federation of Musicians (AFL), has a cash balance of $1,068,252, according to the union's annual financial report. This compares with a deficit 11 years ago when the present officers were elected.

CAR OPERATORS GET RAISE

San Diego, Calif.—In a "compromise agreement, the AFL Street Car and Bus Operators have accepted an 18-cent-an-hour pay raise granted them by the San Diego Electric Railway Company. This new wage scale amounts to $1.23 an hour.

AFL Maritime Unions In New York Set Up Council For Mutual Help

New York City.—Five AFL maritime unions here announced formation of a permanent maritime council to mobilize mutual assistance for membership conditions and to decide general policy if and when CIO maritime unions strike.

The local council is part of a nation-wide organization soon to be set up in the maritime field by the AFL. A conference to establish a Maritime Department within the AFL will be called in Washington within the next few weeks, AFL President William Green said.

One of the AFL unions in the maritime group, the Seafarers International Union, is setting up machinery to take a strike vote of its members, but no strike authorization is anticipated. The AFL ship operators in the hope of reaching an agreement for higher wages and better working conditions.

The other unions in the new council are the International Longshoremen's Association; the Masters, Mates and Pilots; the Radio Officers Union, which is part of the Commercial Telegraphers Union, and the American Merchant Marine Staff Officers Association.

The local council will be opened shortly to AFL maritime organizations in this city, but similar local councils are now being set up in Baltimore, Tampa, New Orleans, Houston, Galveston, Mobile and ports on the West Coast.

Senate Curbs OPA Powers While Living Costs Increase

Here's How Congress Action Breaks Through Price Line

Washington, D. C.—Here are the major provisions of the OPA extension measure as passed by the Senate. It would:

1. Extend the price agency one year, until June 30, 1947.

2. Wipe out ceilings on all meat, poultry and dairy products by June 30 of this year.

3. Direct the OPA Administrator to remove controls on all nonagricultural products not important in relation to business or living costs by the end of the year. This, presumably, would include luxury items and non-essential goods.

4. Order removal of controls over nonagricultural commodities of which the supply exceeds the demand.

5. Establish a three-member price-decontrol board with power to order removal of specific price ceilings if it finds appeals justified.

6. Give the Secretary of Agriculture the responsibility for designating agricultural products in short supply which should be kept under price controls, and the authority to issue orders to OPA for lifting ceilings to stimulate production.

7. Instruct OPA, upon recommendation of the Secretary of Agriculture, to remove ceilings on nonessential agricultural products by the end of the year.

8. Cut Government subsidies for the fiscal year ending June 30, 1947, from approximately $2,000,000,000 to $1,100,000,000, with the stipulation that prices must be allowed to increase on commodities from which subsidy support is withdrawn or reduced. Meat subsidies would be forbidden after May 1, 1947.

9. Abolish "MAP"—OPA's maximum average price order—which was designed to keep the production of low priced clothing going at prewar rates.

10. Grant a five percent increase in maximum prices for cotton textiles to manufacturers who have met specified production goals.

11. Prevent OPA from ordering reduction of normal peacetime trade discounts and mark-ups of wholesalers and retailers of "reconversion items," such as automobiles, radios and refrigerators which were in short supply on the civilian market during the war.

12. Force OPA to add increased costs to prewar prices in fixing manufacturers' price ceilings.

13. Remove controls after June 30 on leaf tobacco and petroleum and their products, including cigarettes and gasoline.

14. Require the OPA to obtain consent of the United States District Attorney before instituting prosecution against price control violators.

15. Force OPA to allow prewar profit margins above costs in fixing ceilings at wholesale and retail. This is similar to a provision voted earlier for manufacturers.

The Senate bill varies in several respects from the measure approved, 355 to 42, in the House last April 16. The House bill:

Would remove the entire subsidy program.

Would make extension of price control.

Subsidies to end by Jan. 1, 1947, with the $716,000,000 meat subsidy stopped at the end of this month.

Every manufacturer and distributor—including retailers—to be allowed a cost plus "a reasonable profit" in fixing price ceilings.

Forced elimination of price ceilings when the output of a commodity reached a rate equivalent to that prevailing in 1941.

Would drop "MAP," the low-priced clothing order.

Forbidding OPA to enforce cost absorption by dealers in automobiles, house-sold appliances and other articles whose production was low during the war. (This provision is essentially the same as the one in the Senate bill.)

Anthracite Miners Back At Work With Welfare Fund, 18½c Raise

New York City.—Hard coal miners returned to work on substantially the same terms granted miners in the soft coal field.

The new authracite agreement, negotiated by Federal conciliator for John L. Lewis, president of the United Mine Workers (AFL), granted a 7-cent hourly increase basic wage, a 5-cent royalty on each ton mined, and an 18½-cent hourly increase.

A new feature of the hard coal contract, which is expected to grant the 75,000 members of the union a Federation of Labor welfare fund annually, was the agreement of the operators to name a trustee to conduct two of the three members of the board which will administer the fund. The operators will select the third trustee.

The new agreement, culminating more than a full month of negotiations, was announced at a press conference here, attended by spokesmen for both the union and the operators. It confirmed earlier reports that such an agreement had been reached and was being put into formal terms.

Ralph E. Taggart, president of the Pittsburgh Consolidation Coal Co., and spokesman for the operators, disclosed the mine owners had been in touch with Federal conciliation officials and had "reasonable assurance" that a price increase would be approved.

Taggart declined to estimate the amount of the increase which would be asked, but on the basis of the figures he cited it was estimated at around $2 a ton, or 25 cents for the wholesale level.

Terms of the agreement were read by Thomas J. Kennedy, secretary-treasurer of the UMW.

"I think the agreement is wholesome and constructive and I will warmly recommend its approval to the miners' workers," Mr. Lewis declared as Mr. Kennedy concluded.

Based on a seven-hour day, all anthracite miners, the authracite mine fields will receive a basic increase of $1.2945 a day. A sixth working day of seven hours, which would be paid at the rate of time and a half, was made optional to both the miners and the operators.

The basic wage was increased for inside miners from $1.132 daily to $1.329 for a 45-minute period. Outside workers, numbering 26,000, will also receive the travel time payment of 45 minutes, strictly speaking, but it does not apply to them, do not receive this same increase but instead will have the present rate consolidated into their basic hourly pay.

Shift differentials were increased for miners who work in relation to the swing shift and from 6 to 6.2 cents for those on the overnight. These differentials will be included in the basic hourly rates for computation of overtime.

An increase of 32.2 cents won in 1941 by the miners under the Little Steel formula was increased to 33.6 for contract workers, while a provision giving them 27.5 cents for reducing lunch time from 30 to 15 minutes that was granted in 1944 was increased to 28.7 cents.

As in bituminous, the anthracite miners will receive an increase in their annual vacation allowance from $75 to $100. This will be prorated for miners who work less than a year.

The agreement provided further that the industry would comply with Federal mine safety standards and the compensation and occupational disease laws of the State of Pennsylvania, which are elective. A joint statement said that heretofore "only a few companies" had subscribed to the State laws."

On the question of the unionization of supervisory, supervisory grouse and clerical help, the parties agreed to be guided by procedure established by the National Labor Relations Board.

Dec. 12 and Oct. 20 were added to the miners' holidays, which included previously Jan. 1, May 30, July 4, Labor Day, Thanksgiving Day and Christmas.

MEDIATORS AVERT 18 STRIKES

Albany, N. Y.—Eighteen strikes were settled and 45 averted in April through efforts of the State Mediation Board, it was shown in a report by Industrial Commissioner Edward Corsi.

The 18 strikes settled involved 799 workers and the agreements were reached through compromises. The 45 strikes averted kept 1,421 workers from idleness.

AFL UNION WINS TEST

Lake Charles, Louisiana.—In the recent election held by the NLRB in the Cities Service Refining Corp. here, the Lake Charles Metal Trades Council (AFL) won by a vote of 764 to 634 over the Oil Workers' International Union (CIO). Of the entire 1250 eligible voters, 1,400 participated in the election.

BUTCHERS SEEK HEALTH FUND

Chicago.—The Amalgamated Meat Cutters and Butcher Workmen (AFL) will seek establishment of a joint fund by companies and the union to be used exclusively for hospitalization, medical and dental care and retirement benefits for members of the welfare of the workers. Decision to seek the welfare fund, similar to that obtained by the CIO United Steel Workers (AFL), was reached at a meeting of union officials here.

AFL UNION GETS RAISE

New York City.—Groundkeepers, maids, porters and laborers at the Yankee Stadium, members of the Building Service Employes International Union (AFL), have been granted wage increases and a 35-cents-an-hour pay raise.

Truman May Veto Bill Which Ignores Plea For Strict Control

Washington, D. C.—The Senate gave the OPA a new lease on life—in an oxygen tent.

By a vote of 53 to 11, the OPA was extended for another year but its powers were so curtailed that the agency would be impotent to enforce price controls and hold the line against inflation.

Since the House had previously adopted an equally severe, although different, OPA extension bill, Congress has virtually repudiated President Truman's demands for authority to keep the cost of living within bounds.

Therefore, it was freely predicted that after the differences in the House and Senate bills are ironed out by a joint conference committee, the President is likely to veto the resulting legislation.

Since the OPA would expire at the end of the month unless Congress extends it, a veto might mean the death knell for OPA, either by the direct method of overriding the veto or by not passing any legislation and allowing the agency's authority to lapse.

Meanwhile, an AFL survey revealed that despite the OPA it now costs the average family living on an American city almost twice as much to eat as it did before the war.

At the same time, clothing bills have gone up more than 75 percent for city dwellers.

The only important item in the cost of living which has remained relatively stable is rent.

The figures are considerably higher than those of the Labor Department's Bureau of Labor Statistics, but that official bureau does not take into account in its index of consumer prices many of the unofficial holdups which are being perpetrated against the American people today.

For instance, the BLS makes no allowances for black markets and does not give sufficient weight to the fact that inferior articles have practically disappeared from city store shelves.

When there is no bread to be bought for love or money, people have to buy more expensive substitutes, such as cake and crackers—all of which results in boosting the family food bill.

When $1 and $2 white shirts are unobtainable, people have to buy the $6 and $10 variety—and this sort of thing eats up income rapidly.

Added to these factors is the new and ominous trend of OPA policy in granting price increases with a lavish hand. Fearful of being wiped out altogether by Congress, OPA is making price concessions left and right at this time than ever before in its history.

Such price increases within one week, beginning June 1, boosted the cost of living 5 percent, the Office of Economic Stabilization officially admitted.

Tottering into this sudden jump were price increases of one-fent-a-pound for milk, six-cents-a-pound for cheese, 11-cents-a-pound for butter and one-cent-a-pound for bread.

If prices continue to go up at the June rate, the increase over the next year will be 75 percent, AFL economists believe.

Already this year, consumer prices have increased more than 10 percent, the AFL survey showed.

If the OPA is abolished by Congress or crippled with amendments, the cost of living may be hiked another 50 percent before the end of the year.

Meanwhile, food shortages are becoming more aggravated daily. Meat is scarcely obtainable because cattle growers are withholding their herds from the market in the hope of higher prices if OPA meat controls are removed by Congress after June 30.

Bread shortages and bread lines are especially prevalent in Eastern cities. The Nation's stocks of rice are down to the vanishing point. Predictions are being freely made that eggs will be $1 a dozen by winter and chickens substantially higher as prices because feed shortages are causing poultry farmers to kill their flocks now.

Court Test Set On Petrillo Bill

Washington, D. C.—Attorney General Tom C. Clark announced that a grand jury investigation had been filed in Chicago against James C. Petrillo, president of the American Federation of Musicians (AFL), and of the Chicago Federation of Musicians, charging them with coercive practices affecting radio broadcasting.

This is a test of the Lea Act which Petrillo defied when he called a strike at Radio Station WAAF, Chicago, to compel the station to employ three additional librarians.

The Lea Act became law April 16. A violation is a misdemeanor punishable by $1,000 fine and a year in jail. Mr. Petrillo recently told the AFM convention that if the constitutionality of the law was upheld musicians would refuse to perform for network broadcasts or for recordings.